

RUSSIA AND THE WEST IN IRAN

THE OIL CRISIS OF 1944

At the time when the war spread to Iran there were only two valid oil concessions in the country: the first was operated by the Anglo-Iranian Oil Company and the second, of minor importance, was operated by the Kavir-i-Khurian Company and owned conjointly by Russia and an Iranian group. The Anglo-Iranian possessed a limited, though not small, area in southwestern Iran. The Kavir-i-Khurian Company's terrain near Semnan was negligible in size. The remaining territory of Iran was free from foreign concessions. Thus not only the northern provinces in the Soviet zone but also the southeastern area, especially the Iranian province of Baluchistan, were potential areas of oil exploitation. In the fall of 1943 the British Shell Company sent a representative to Iran to negotiate an oil concession for the southern area. In the spring of 1944 he was followed by the representatives of two American companies: Standard Vacuum Oil Company²³ and Sinclair Oil Company. The first official news about these negotiations was given by Premier Mohammed Sa'ed to the Majlis in August, 1944. The Premier promised to give further information to the deputies in due time. In the meantime two American petroleum geologists, A. A. Curtice and Herbert Hoover, Jr., were engaged by the Iranian government to survey the oil reserves in various parts of the country. During the parliamentary debate in August the Communist deputy Radmanesh criticized their presence. He stated that, if Iran was to grant an oil concession to the Americans, impartiality demanded the engagement of experts of another nationality. In the same speech Radmanesh went on record as opposing,

on behalf of his party, any foreign concessions. He argued that if Iran managed to construct by her own means the Transiranian Railroad, she should also be able to exploit oil resources without any foreign aid.²⁴

In the second half of September, 1944, a new element was injected into the oil negotiations. In a surprise move the Soviet Assistant People's Commissar for Foreign Affairs, Sergei I. Kavtaradze, arrived in Teheran at the head of a large mission of diplomatic and technical experts. After a few days of silence during which Teheran was a prey

²³ Owned jointly by Standard Oil of New Jersey and Socony Vacuum Oil Co.
M *Journal de Tehran*, Aug. 11, 1944.